

Underground Storage Tank Cleanup Fund Task Force - Long Term Action Items

First and foremost, it is important for the Task Force keep visible the circumstance that motivates our work and what we seek to accomplish. As we've identified, our work aims to ensure that the USTCF regains its standing as a reliable and consistent resource for the payment of costs associated with UST-related environmental mitigation.

Accordingly, we have identified the following as important areas for our focus:

- Revenue - fee collection. We are examining policies/procedures and making recommendations for improvement such that the means of collection is made most efficient.
- Disbursement - we are examining USTCF internal practices and making improvements relative to claim administration so as to increase efficiency and where practicable improve internal USTCF efficiency (freeing funds spent administratively to pay claims).
- Per Claim Expense - we are examining factors affecting the life of a claim and its consequent magnitude. Recognizing DWQ jurisdictional issues, we are identifying practises in need of improvement and making recommendations to reduce claim magnitude where practical and appropriate.

Topic	Agency	Benefits	Analysis	Attainability
Fee collection Pay at the rack	cuf/boe	Improve collection	An examination of this issue at the last TF meeting found the leakage rate to be less than originally assumed. Given this, and the fact that leakage occurs as a consequence of factors that may be addressed by other means, it is perhaps more appropriate to focus on other aspects of the fee collection issue. It is recognized additionally that a change in point-of-collection may bring unintended consequences with respect to definition - fee or tax.	Low <i>statute/tax</i>
Point-of-collection improvements	cuf/boe		Consideration should be given the manner in which compliance is assured, and the manner by which BOE communicates requirements to existing and potential future payers. Topics could include: In-facility certificate of compliance (no compliance no delivery). Inclusion of remittance instructions on other regularly occurring forms. Tying remittance to other, more frequently recurring, revenue transfers (like sales tax remittance, so as to shorten the period required for businesses to hold - and potentially spend - fee receipts).	High

Topic	Agency	Benefits	Analysis	Attainability
Fund processes/procedure improvement				
Claim evaluation - technical/scope	cuf	Efficiency	USTCF staff presently invest resources in the analysis of technical project attributes and the "worth" of individual undertakings. This investment is seen as necessary to "bar the door" against unnecessary expense, to preserve Fund assets for claim payment. Required information - a better description of the level of resources presently invested in this effort. Recommended for Task Force consideration - is this an effective and efficient investment of USTCF staff resources?	High
Claim Cost Control <i>RR cost examination</i> <i>Pre-approval</i> <i>Cost guidelines</i> <i>5-year review</i> <i>Claim deobligation</i>	cuf	Efficiency	USTCF staff review requests for reimbursement with respect to incurred cost. Mechanisms for expense pre-approval exist, though are employed less frequently than in the past. It is recommended that the Task Force review the manner in which costs are examined, the level of staff effort presently invested in this examination, and the consequences - both intended and unintended - of the present practice. Recommendations for process improvement should be made in relation to the results of examination.	High
Other process/procedure issues for evaluation:				
evaluate RTA				
appeals process				
cashflow mgt/projections				
standardized paperwork				
education/outreach				
communication				
meeting statutes				
data tracking				
paperless office				
transparency of information				

lean thinking
reduce LOP & USTCF costs

Topic

Agency Benefits Analysis Attainability

Claim Lifetime & Magnitude

Motivating RP's
payees=payers
limit LOC time

cuf	Shorten span/cost	Presently a large segment of fund payment participants have little or no meaningful involvement in the direction of response activities. Lack of involvement is seen as a consequence of the payment process - claims are reimbursed as made - no process-related consideration is required. Recommendation - examine what requirements or conditions could be placed on the reimbursement process such that responsible parties are motivated to aid in the completion of their work quickly and cost-effectively.	Moderate <i>statute</i>
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Role of Regulators
approach oversight

cuf/dwq	Focus/efficiency	Agency staff can view their role as that of oversight and response - not necessarily charged to be proactive guides of project activity. The incorporation of this responsibility into agency duties may dramatically affect the nature of work conducted and the pace of projects. It is recommended the Task Force examine the nature of this circumstance in greater detail.	Moderate <i>culture</i>
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Directed and approved

cuf/dwq	Efficiency	<p>A condition of reimbursement is the "directed and approved" nature of the work completed. This requirement is somewhat open to interpretation, but typically in practice requires the documentation of agency involvement and approval to the sub-task level. Assessment activities are accordingly separated into discrete investigative events, stretching an evaluative process that in many states requires two years to four or more in California. There are sites that have been open in an assessment mode for greater than 10 years.</p> <p>It is recommended that this practice - its purpose, origin and history - be examined. In concert with this examination may be an evaluation of the nature of the response process itself, particularly what role the USTCF might play in process expediting. For example, what role might reimbursement practices play in shortening the span from project commencement to interim remedial action.</p>	Moderate
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Fund of Tomorrow

Parking lot for preserving of issues. Not at the expense of our immediately pressing work but in recognition that we can leverage what we're doing to a larger benefit.

ranking of municipalities
payment priority by risk
planning for sunset

oversight priority by risk
securitise right to payment
reimburse finance charges
minimize cost for low risk sites
AST's
gross/criminal negligence as
deductibles
max reimbursement

creative project mgt/creative mgt
stakeholder coordination